

MINUTES

OVERSIGHT BOARD OF THE IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY

SEPTEMBER 12, 2012

**City of Imperial Beach Council Chambers
825 Imperial Beach Boulevard
Imperial Beach, CA 91932**

REGULAR MEETING – 10:30 a.m.

1. CALL TO ORDER

CHAIR PERSON WINTER called the regular meeting to order at 10:31 a.m.

2. ROLL CALL BY CITY CLERK/SECRETARY

Oversight Board Members present: Foltz, Goodwin-Colbert, Hentschke, Saadat

Oversight Board Members absent: West

Vice Chair present: Fernandez

Chair present: Winter

Staff present: Deputy Executive Director Wade, City Attorney Lyon, Special Counsel Berkey, Finance Director McGrane, City Clerk/Secretary Hald

3. PUBLIC COMMENT

None.

4. NEW BUSINESS

A. RESOLUTION NO. OB-12-10 APPROVING THE TERMS OF THE DISPOSITION AND DEVELOPMENT AGREEMENT (DDA) BETWEEN THE CITY OF IMPERIAL BEACH (CITY) AND SADBERRY-PALM AVENUE LLC AND APPROVING THE TRANSFER OF OWNERSHIP OF REAL PROPERTY, THE RETENTION AND OWNERSHIP OF CERTAIN PUBLIC IMPROVEMENTS, AND THE TRANSFER OF RESIDUAL PROCEEDS FROM THE SALE OF REAL PROPERTY.

DEPUTY EXECUTIVE DIRECTOR WADE gave a Power Point presentation on the item and announced a revised Resolution No. OB-12-10 and an Exhibit A (Scope of Work) to Attachment 6 were submitted as last minute agenda information. He responded to questions of the Board regarding the time frames for the completion of the project and explained why there were three RFPs for the project.

SPECIAL COUNSEL BERKEY stated that under legislation AB 26, amended by AB 1484, the DOF has 40 days from submittal to review this action but the review period could be extended to 60 days. The hope is that the project can move forward after approval versus having to go through the long range management plan next year. She stated that the actions of the Board would be submitted to the DOF for review.

ESTEAN LENYON stated that worst case scenarios were considered when the time frames for the project were established and he noted that it has taken three years to work with Caltrans. He spoke about Sudberry Properties' ongoing commitment to the project and to the City. He also stated that it is possible to complete the project in one phase.

CHRIS PETO, COO for Halferty Development Co., asked the Board not to approve the project. He said his company would be better suited to develop the property and offered \$250,000 more for the property. He submitted a copy of a letter regarding his proposal for the record.

CHAIR PERSON WINTER expressed concern about any modifications at this point and stressed that Sudberry Properties has demonstrated a commitment to the project. She encouraged Mr. Peto to work with the City on developing another site.

DEPUTY EXECUTIVE DIRECTOR WADE stated that the proposal from Halferty Development Co. came to the City via e-mail. The City responded in writing and copies of the response were provided to the Oversight Board and to the Successor Agency. He also stated that staff's position is that to replace a developer in an existing agreement with another developer without their consent would be a breach of contract and would not recommend doing it.

MOTION BY FERNANDEZ, SECOND BY FOLTZ, TO ADOPT RESOLUTION NO. OB-12-10 APPROVING THE TERMS OF THE DISPOSITION AND DEVELOPMENT AGREEMENT (DDA) BETWEEN THE CITY OF IMPERIAL BEACH (CITY) AND SADBERRY-PALM AVENUE LLC AND APPROVING THE TRANSFER OF OWNERSHIP OF REAL PROPERTY, THE RETENTION AND OWNERSHIP OF CERTAIN PUBLIC IMPROVEMENTS, AND THE TRANSFER OF RESIDUAL PROCEEDS FROM THE SALE OF REAL PROPERTY.

Discussion:

BOARD MEMBER HENTSKE stated that he supported the motion and that the staff has demonstrated that there is economic value. The speaker made an oral representation that he is willing to offer more money than the current proposal but the current proposal has been through the review process and was approved by the Successor Agency. Not only has the speaker's proposal not been presented to the Successor Agency, it is too late to make such an offer.

CHAIR PERSON WINTER thanked Sudberry Properties for their superb quality of work and commitment to the project.

VOTES WERE NOW CAST ON ORIGINAL MOTION BY FERNANDEZ, SECOND BY FOLTZ, TO ADOPT RESOLUTION NO. OB-12-10 APPROVING THE TERMS OF THE DISPOSITION AND DEVELOPMENT AGREEMENT (DDA) BETWEEN THE CITY OF IMPERIAL BEACH (CITY) AND SADBERRY-PALM AVENUE LLC AND APPROVING THE TRANSFER OF OWNERSHIP OF REAL PROPERTY, THE RETENTION AND OWNERSHIP OF CERTAIN PUBLIC IMPROVEMENTS, AND THE TRANSFER OF RESIDUAL PROCEEDS FROM THE SALE OF REAL PROPERTY. MOTION CARRIED BY THE FOLLOWING VOTE:

AYES: BOARD MEMBERS: FOLTZ, GOODWIN-COLBERT, WINTER, FERNANDEZ, HENTSCHE, SAADAT

NOES: BOARD MEMBERS: NONE

ABSENT: BOARD MEMBERS: WEST

5. OLD BUSINESS

None.

6. ADJOURNMENT

The meeting was adjourned at 11:26 a.m.

/s/

MAYDA C. WINTER, CHAIR PERSON

/s/

**JACQUELINE M. HALD, MMC
CITY CLERK/SECRETARY**